

DEPARTMENT OF STATE REVENUE

LETTER OF FINDINGS NUMBER: 00-0404P

Withholding Tax - Penalty
For the Period Ended November 30, 1999

NOTICE: Under IC 4-22-7-7, this document is required to be published in the Indiana Register and is effective on its date of publication. It shall remain in effect until the date it is superseded or deleted by the publication of a new document in the Indiana Register. The publication of this document will provide the general public with information about the Department's official position concerning a specific issue.

ISSUE(S)

I. **Tax Administration** – Penalty

Authority: IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

STATEMENT OF FACTS

Taxpayer was assessed a late payment penalty. Taxpayer was one day late.

Taxpayer protests the penalty and requests a waiver.

I. **Tax Administration** –Penalty

DISCUSSION

Taxpayer states it uses an outside payroll service whose responsibility is to assure that all payments are made timely. Due to the service's attempt to update its computer to be Y2K ready, it had a major crash and as soon as it was operational payment was sent. Taxpayer further states its payments are always timely and this late payment was an exception.

A review of taxpayer's payment history indicates it had a late payment for the period ended February

28, 1997. Taxpayers are encouraged to mail returns prior to the due date, as the Post Office may not postmark the mail until the following day. Consistent with statute, adherence to the postmark date is evidence of a timely return.

The department finds that a negligence penalty is proper.

FINDING

Taxpayer's protest is denied.